

LEGISLATURE OF NEBRASKA
NINETY-NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 605

Introduced by Thompson, 14

Read first time January 18, 2005

Committee: Appropriations

A BILL

1 FOR AN ACT relating to state universities and state colleges; to
2 amend sections 85-412, 85-415, 85-417, and 85-418,
3 Reissue Revised Statutes of Nebraska, and section 85-414,
4 Revised Statutes Supplement, 2004; to change provisions
5 relating to construction and improvement projects; to
6 harmonize provisions; to repeal the original sections;
7 and to declare an emergency.

8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 85-412, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 85-412. (1) The Legislature finds and determines that
4 protecting investments in buildings through the completion of
5 deferred maintenance, repair, renovation, and facility replacement
6 construction projects is of critical importance to the State of
7 Nebraska. The Legislature further recognizes that arresting the
8 continued deterioration of buildings, limiting the effects of
9 inflation on the costs of such deferred maintenance, repair,
10 renovation, and facility replacement construction, and bringing
11 such buildings into compliance with current health and safety
12 requirements at the earliest possible time is necessary for
13 protecting such investment in the buildings of the State of
14 Nebraska. In order to accomplish these goals, it is necessary,
15 desirable, and advisable that the Legislature provide for the
16 receipt of funds for such purposes as soon as practicable with the
17 repayment of such funds to be made over a period of years. The
18 Legislature recognizes the commitment of (a) the Board of Regents
19 of the University of Nebraska to provide matching funds (i) on a
20 one-to-one basis up to five million five hundred thousand dollars
21 per year for a total of up to fifty-five million dollars through
22 the fiscal year ending June 30, 2011, and (ii) up to ten million
23 dollars per year beginning July 1, 2009, for a total of up to one
24 hundred million dollars through the fiscal year ending June 30,
25 2020, and (b) the Board of Trustees of the Nebraska State Colleges
26 to provide matching funds (i) on a one-to-one basis up to four
27 hundred thousand dollars per year for a total of four million
28 dollars through the fiscal year ending June 30, 2011, and (ii) up

1 to one million two hundred thousand dollars per year beginning July
2 1, 2005, for a total of ~~four~~ fourteen million dollars through the
3 fiscal year ending June 30, 2019.

4 (2) Sections 85-412 to 85-418 do not modify, reduce, or
5 eliminate any provision of subsection (10) of section 85-1414
6 requiring the approval of the Coordinating Commission for
7 Postsecondary Education for any deferred maintenance, repair,
8 renovation, or facility replacement construction project authorized
9 by sections 85-414 and 85-417 and undertaken by the Board of
10 Regents of the University of Nebraska or the Board of Trustees of
11 the Nebraska State Colleges.

12 Sec. 2. Section 85-414, Revised Statutes Supplement,
13 2004, is amended to read:

14 85-414. (1) Beginning with the fiscal year commencing
15 July 1, 1999, and continuing through the fiscal year ending June
16 30, 2009, the Legislature shall appropriate each fiscal year from
17 the General Fund an amount not less than five million five hundred
18 thousand dollars to the University of Nebraska Facilities Program
19 to be used by the Board of Regents of the University of Nebraska to
20 accomplish projects as provided in subsection (3) of this section.
21 Beginning with the fiscal year commencing July 1, 2005, and
22 continuing through the fiscal year ending June 30, 2019, the
23 Legislature shall appropriate each fiscal year from the General
24 Fund an amount not less than ten million dollars to the University
25 of Nebraska Facilities Program to be used by the Board of Regents
26 of the University of Nebraska to accomplish projects as provided in
27 subsection (4) of this section. Through the allotment process
28 established in section 81-1113, the Department of Administrative

1 Services shall make appropriated funds available. Undisbursed
2 appropriations balances existing in the University of Nebraska
3 Facilities Program at the end of each fiscal year until June 30,
4 ~~2012~~ 2019, shall be and are hereby reappropriated.

5 (2) The Legislature finds and determines that the
6 projects funded through the University of Nebraska Facilities
7 Program are of critical importance to the State of Nebraska. It is
8 the intent of the Legislature that the appropriations to the
9 program shall not be reduced until all contracts and securities
10 relating to the construction and financing of the projects or
11 portions of the projects funded from such funds or accounts of such
12 funds are completed or paid but in no case shall such
13 appropriations extend beyond the fiscal year ending June 30, ~~2009~~
14 2019, nor shall the cumulative total of the General Fund
15 appropriations for the program exceed ~~fifty-five~~ one hundred
16 ninety-five million dollars.

17 (3) Subject to the receipt of project approval from the
18 Coordinating Commission for Postsecondary Education as required by
19 subsection (10) of section 85-1414 for each of the following
20 University of Nebraska projects, the Board of Regents of the
21 University of Nebraska is authorized to make expenditures from the
22 University of Nebraska Facilities Program for the following
23 projects: (a) Deferred maintenance, repair, and renovation of
24 University of Nebraska at Kearney Bruner Hall; (b) deferred
25 maintenance, repair, and renovation of University of Nebraska at
26 Kearney Otto Olson Vocational Arts Building; (c) deferred
27 maintenance, repair, and renovation of University of
28 Nebraska-Lincoln Love Library; (d) deferred maintenance, repair,

1 and renovation of University of Nebraska-Lincoln Snyder Building at
2 the West Central Research Extension Center; (e) construction of a
3 facility to replace University of Nebraska-Lincoln Lyman Hall and
4 Bancroft Hall; (f) construction of a facility to replace University
5 of Nebraska-Lincoln Biochemistry Building; (g) deferred
6 maintenance, repair, and renovation of University of
7 Nebraska-Lincoln Hamilton Hall; (h) deferred maintenance, repair,
8 and renovation of University of Nebraska-Lincoln Avery Hall; (i)
9 deferred maintenance, repair, and renovation of University of
10 Nebraska Medical Center Poynter Hall; (j) deferred maintenance,
11 repair, and renovation of University of Nebraska Medical Center
12 Swanson Hall, Bennet Hall, and Service Building; (k) deferred
13 maintenance, repair, and renovation of University of Nebraska
14 Medical Center Library housed in Wittson Hall; (l) deferred
15 maintenance, repair, and renovation of University of Nebraska at
16 Omaha Allwine Hall; (m) deferred maintenance, repair, and
17 renovation of University of Nebraska at Omaha Arts and Sciences
18 Hall, and (n) demolition of University of Nebraska Miller Hall.

19 (4) Subject to the receipt of project approval from the
20 Coordinating Commission for Postsecondary Education as required by
21 subsection (10) of section 85-1414 for each of the following
22 University of Nebraska projects, the Board of Regents of the
23 University of Nebraska is authorized to make expenditures from the
24 University of Nebraska Facilities Program for the following
25 projects: (a) Deferred maintenance, repair, and renovation of
26 University of Nebraska at Kearney Stout, Randall, and Men's Halls;
27 (b) construction of University of Nebraska at Kearney campuswide
28 central utilities plant and system; (c) construction of facilities

1 to replace University of Nebraska-Lincoln Behlen, Brace, and
2 Ferguson Halls or deferred maintenance, repair, and renovation of
3 University of Nebraska-Lincoln Behlen, Brace, and Ferguson Halls;
4 (d) construction of a facility to replace University of
5 Nebraska-Lincoln Keim Hall or deferred maintenance, repair, and
6 renovation of University of Nebraska-Lincoln Keim Hall; (e)
7 deferred maintenance, repair, and renovation of University of
8 Nebraska-Lincoln Sheldon Memorial Art Gallery; (f) deferred
9 maintenance, repair, and renovation of University of
10 Nebraska-Lincoln Animal Science Complex; (g) deferred maintenance,
11 repair, and renovation of University of Nebraska Medical Center
12 Poynter, Bennet, and Wittson Halls; (h) deferred maintenance,
13 repair, and renovation of University of Nebraska Medical Center
14 Eppley Institute for Research in Cancer and Allied Diseases; (i)
15 deferred maintenance, repair, and renovation of University of
16 Nebraska Medical Center College of Dentistry; (j) deferred
17 maintenance, repair, and renovation of University of Nebraska at
18 Omaha Library; and (k) deferred maintenance, repair, and renovation
19 of University of Nebraska at Omaha utilities infrastructure.

20 (5) Expenditures of matching funds provided for the
21 projects listed in this section by the Board of Regents of the
22 University of Nebraska as provided for in section 85-412 shall be
23 accounted for in the Nebraska State Accounting System through the
24 University of Nebraska Facilities Program or according to some
25 other reporting process mutually agreed upon by the University of
26 Nebraska and the Department of Administrative Services.

27 ~~(5)~~ (6) The Board of Regents of the University of
28 Nebraska shall record and report, on the Nebraska State Accounting

1 System, expenditure of amounts from the University of Nebraska
2 Facilities Program and expenditure of proceeds arising from any
3 contract entered into pursuant to this section and section 85-415
4 in such manner and format as prescribed by the Department of
5 Administrative Services or according to some other reporting
6 process mutually agreed upon by the University of Nebraska and the
7 Department of Administrative Services.

8 ~~(6)~~ (7) The Board of Regents of the University of
9 Nebraska shall provide to the Task Force for Building Renewal
10 semiannual reports concerning the status of each project authorized
11 by this section.

12 Sec. 3. Section 85-415, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 85-415. (1) In order to accomplish any projects
15 authorized by section 85-414, the Board of Regents of the
16 University of Nebraska may enter into contracts with any person,
17 firm, or corporation providing for the implementation of any such
18 project of the University of Nebraska and providing for the
19 long-term payment of the cost of such project from the University
20 of Nebraska Facilities Program. In no case shall any such contract
21 extend for a period beyond ~~July 15, 2011~~ December 31, 2020, nor
22 shall any such contract exceed the repayment capabilities implicit
23 in the funding streams authorized in sections 85-412 and 85-414.

24 (2) The Board of Regents of the University of Nebraska
25 shall not pledge the credit of the State of Nebraska for the
26 payment of any sum owing on account of such contract, except that
27 there may be pledged for the payment of any such contract any
28 appropriation specifically made by the Legislature for such

1 purpose, together with such funds of the Board of Regents of the
2 University of Nebraska as the board determines. No contract shall
3 be entered into pursuant to this section without prior approval by
4 resolution by the Board of Regents. The Board of Regents may also
5 convey, lease, or lease back all or any part of the projects
6 authorized by section 85-414 and the land on which such projects
7 are situated to such person, firm, or corporation as the Board of
8 Regents may contract with pursuant to this section to facilitate
9 the long-term payment of the cost of such projects. Any such
10 conveyance or lease shall provide that when the cost of such
11 projects has been paid, together with interest and other costs
12 thereon, such projects and the land on which such projects are
13 located shall become the property of the Board of Regents.

14 (3) The Board of Regents of the University of Nebraska is
15 authorized to make expenditures for the purposes stated in this
16 section and section 85-414 from investment income balances in any
17 fund created under the authority provided for in any contract or
18 contracts authorized by this section. Any appropriated amounts and
19 amounts designated or matched by the Board of Regents under section
20 85-412 in excess of amounts required to meet debt service and any
21 interest earnings derived from reserve funds or any other funds
22 created under the authority provided for in any contract or
23 contracts authorized by this section shall be accumulated and
24 applied toward early retirement of debt as authorized under any
25 resolution, indenture, or other contract entered into by the Board
26 of Regents as authorized by this section. The Board of Regents and
27 the Department of Administrative Services shall, on or before
28 January 1, ~~1999~~ 2006, enter into an agreement providing for the

1 allocation and distribution of any balances existing in the
2 University of Nebraska Facilities Program or any other funds
3 created as part of a long-term contract entered into by the Board
4 of Regents pursuant to this section to the General Fund and any
5 other funds designated by the Board of Regents as a source of funds
6 for the match specified in section 85-412 either on ~~July 15, 2011~~
7 December 31, 2020, or when all financial obligations incurred in
8 the contracts entered into by the Board of Regents pursuant to this
9 section are discharged, whichever occurs first.

10 Sec. 4. Section 85-417, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 85-417. (1) Beginning with the fiscal year commencing
13 July 1, 1999, and continuing through the fiscal year ending June
14 30, 2009, the Legislature shall appropriate each fiscal year from
15 the General Fund an amount not less than four hundred thousand
16 dollars to the State College Facilities Program to be used by the
17 Board of Trustees of the Nebraska State Colleges to accomplish
18 projects as provided in subsection (3) of this section. Beginning
19 with the fiscal year commencing July 1, 2005, and continuing
20 through the fiscal year ending June 30, 2019, the Legislature shall
21 appropriate each fiscal year from the General Fund an amount not
22 less than one million one hundred twenty-five thousand dollars to
23 the State College Facilities Program to be used by the Board of
24 Trustees of the Nebraska State Colleges to accomplish projects as
25 provided in subsection (4) of this section. Through the allotment
26 process established in section 81-1113, at a minimum, the
27 Department of Administrative Services shall make appropriated funds
28 available. Undisbursed appropriations balances existing in the

1 State College Facilities Program at the end of each fiscal year
2 until June 30, ~~2012~~ 2019, shall be and are hereby reappropriated.

3 (2) The Legislature finds and determines that the
4 projects funded through the program are of critical importance to
5 the State of Nebraska. It is the intent of the Legislature that
6 the appropriations to the program shall not be reduced until all
7 contracts and securities relating to the construction and financing
8 of the projects or portions of the projects funded from such funds
9 or accounts of such funds are completed or paid but in no case
10 shall such appropriations extend beyond the fiscal year ending June
11 30, ~~2009~~ 2019, nor shall the cumulative total of the General Fund
12 appropriations for the program exceed four million dollars.

13 (3) Subject to the receipt of project approval from the
14 Coordinating Commission for Postsecondary Education as required by
15 subsection (10) of section 85-1414 for each of the following state
16 college projects, the Board of Trustees of the Nebraska State
17 Colleges is authorized to make expenditures from the State College
18 Facilities Program for the following state college projects: (a)
19 Deferred maintenance, repair, and renovation of Chadron State
20 College Administration Building; (b) deferred maintenance, repair,
21 and renovation of Chadron State College Memorial Hall; (c) deferred
22 maintenance, repair, and renovation of Chadron State College Math
23 and Science Building; (d) deferred maintenance, repair, and
24 renovation of Chadron State College Old Library; (e) deferred
25 maintenance, repair, and renovation of Chadron State College Reta
26 King Library; (f) deferred maintenance, repair, and renovation of
27 Peru State College Library; (g) deferred maintenance, repair, and
28 renovation of Peru State College Hoyt Science Hall; (h) deferred

1 maintenance, repair, and renovation of Peru State College Old
2 Gymnasium; (i) deferred maintenance, repair, and renovation of Peru
3 State College Power Plant; (j) deferred maintenance, repair, and
4 renovation of Wayne State College Broadcast Studio; (k) deferred
5 maintenance, repair, and renovation of Wayne State College Hahn
6 Administration Building; (l) deferred maintenance, repair, and
7 renovation of Wayne State College Memorial Stadium; (m) deferred
8 maintenance, repair, and renovation of Wayne State College Ramsey
9 Theater; (n) deferred maintenance, repair, and renovation of Wayne
10 State College Rice Auditorium; (o) deferred maintenance, repair,
11 and renovation of Wayne State College Telecommunications
12 Classrooms; and (p) systemwide miscellaneous fire and life safety,
13 energy conservation, deferred repair, federal Americans with
14 Disabilities Act of 1990, and asbestos removal projects.

15 (4) Subject to the receipt of project approval from the
16 Coordinating Commission for Postsecondary Education as required by
17 subsection (10) of section 85-1414 for each of the following state
18 college projects, the Board of Trustees of the Nebraska State
19 Colleges is authorized to make expenditures from the State College
20 Facilities Program for the following state college projects: (a)
21 Deferred maintenance, repair, and renovation of Chadron State
22 College Sparks Hall; (b) deferred maintenance, repair, and
23 renovation of Chadron State College Academic/Administration
24 Building; (c) design and placement of a new Peru State College
25 emergency power generator; (d) replacement of existing Peru State
26 College Al Wheeler Activity Center bleachers; (e) addition to and
27 deferred maintenance, repair, and renovation of Peru State College
28 Al Wheeler Activity Center; (f) addition to and deferred

1 maintenance, repair, and renovation of Wayne State College
2 Facilities Services Building; (g) deferred maintenance and repair
3 of and modifications and other improvements to Wayne State College
4 Pedestrian and Vehicular Circulation System; (h) deferred
5 maintenance, repair, and renovation of Wayne State College U.S.
6 Conn Library; (i) deferred maintenance, repair, and renovation of
7 Wayne State College Memorial Stadium; (j) construction of Wayne
8 State College Greywater Infrastructure Project; and (k) systemwide
9 miscellaneous fire and life safety, energy conservation, deferred
10 repair, federal Americans with Disabilities Act of 1990, and
11 asbestos removal projects.

12 ~~(4)~~ (5) Expenditures of matching funds provided for the
13 projects listed in this section by the Board of Trustees of the
14 Nebraska State Colleges as provided for in section 85-412 shall be
15 accounted for in the Nebraska State Accounting System through the
16 State College Facilities Program or according to some other
17 reporting process mutually agreed upon by the state colleges and
18 the Department of Administrative Services.

19 ~~(5)~~ (6) The Board of Trustees of the Nebraska State
20 Colleges shall record and report, on the Nebraska State Accounting
21 System, expenditure of amounts from the State College Facilities
22 Program and expenditure of proceeds arising from any contract
23 entered into pursuant to this section and section 85-418 in such
24 manner and format as prescribed by the Department of Administrative
25 Services or according to some other reporting process mutually
26 agreed upon by the state colleges and the Department of
27 Administrative Services.

28 ~~(6)~~ (7) The Board of Trustees of the Nebraska State

1 Colleges shall provide to the Task Force for Building Renewal
2 semiannual reports concerning the status of each project authorized
3 by this section.

4 Sec. 5. Section 85-418, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 85-418. (1) In order to accomplish any projects
7 authorized by section 85-417, the Board of Trustees of the Nebraska
8 State Colleges may enter into contracts with any person, firm, or
9 corporation providing for the implementation of any such project of
10 the Nebraska state colleges and providing for the long-term payment
11 of the cost of such project from the State College Facilities
12 Program. In no case shall any such contract extend for a period
13 beyond ~~July 15, 2011~~ December 31, 2019, nor shall any such contract
14 exceed the repayment capabilities implicit in the funding streams
15 authorized in sections 85-412 and 85-417.

16 (2) The Board of Trustees of the Nebraska State Colleges
17 shall not pledge the credit of the State of Nebraska for the
18 payment of any sum owing on account of such contract, except that
19 there may be pledged for the payment of any such contract any
20 appropriation specifically made by the Legislature for such
21 purpose, together with such funds of the Board of Trustees as the
22 board determines. No contract shall be entered into pursuant to
23 this section without prior approval by resolution by the Board of
24 Trustees. The Board of Trustees may also convey, lease, or lease
25 back all or any part of the projects authorized by section 85-417
26 and the land on which such projects are situated to such person,
27 firm, or corporation as the Board of Trustees may contract with
28 pursuant to this section to facilitate the long-term payment of the

1 cost of such projects. Any such conveyance or lease shall provide
2 that when the cost of such projects has been paid, together with
3 interest and other costs thereon, such projects and the land on
4 which such projects are located shall become the property of the
5 Board of Trustees.

6 (3) The Board of Trustees of the Nebraska State Colleges
7 is authorized to make expenditures for the purposes stated in this
8 section and section 85-417 from interest income balances in any
9 fund created under the authority provided for in any contract or
10 contracts authorized by this section. Any appropriated amounts and
11 amounts designated or matched by the Board of Trustees under
12 section 85-412 in excess of amounts required to meet debt service
13 and any interest earnings derived from reserve funds or any other
14 funds created under the authority provided for in any contract or
15 contracts authorized by this section shall be accumulated and
16 applied toward early retirement of debt as authorized under any
17 resolution, indenture, or other contract entered into by the Board
18 of Trustees as authorized by this section. The Board of Trustees
19 and the Department of Administrative Services shall, on or before
20 January 1, ~~1999~~ 2006, enter into an agreement providing for the
21 allocation and distribution of any balances existing in the State
22 College Facilities Program or any other funds created as part of a
23 long-term contract entered into by the Board of Trustees pursuant
24 to this section to the General Fund and any other funds designated
25 by the Board of Trustees as a source of funds for the match
26 specified in section 85-412 either on ~~July 15, 2011~~ December 31,
27 2019, or when all financial obligations incurred in the contracts
28 entered into by the Board of Trustees pursuant to this section are

1 discharged, whichever occurs first.

2 Sec. 6. Original sections 85-412, 85-415, 85-417, and
3 85-418, Reissue Revised Statutes of Nebraska, and section 85-414,
4 Revised Statutes Supplement, 2004, are repealed.

5 Sec. 7. Since an emergency exists, this act takes effect
6 when passed and approved according to law.